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February 27, 2006

Michael Leavitt, Secretary U.S. Department of Health and Human Services 200 Independence Avenue, S.W. – Room 615-F Washington, D.C. 20201

Re: Reform Medicare Part D to Provide Simpler and Real Drug Coverage

Dear Secretary Leavitt:

I regret that you were unable to travel to Hillsborough County on your recent trip to Florida to listen to Medicare Part D concerns. Therefore, I would like to relay numerous troubling circumstances from my county in which approximately 142,000 citizens - nearly one in eight residents - rely on Medicare for their health care. I have been hearing from residents and health care professionals for two months about the distressing impact of the program. Consider these examples.

- (1) In Florida, there are 43 different HMO drug plans to choose from. Each HMO plan offers a confusing array of drugs, prices and pharmacies. But all this choice does not mean that seniors are benefiting. The HMOs are allowed to change coverage, prices and pharmacies at any time. Patients, in contrast, are generally locked into the plan they select until the limited open enrollment only 45 days per year. Seniors tell me that they do not like being forced into HMOs for their prescription drugs.
- (2) LifeLink Foundation, the non-profit organ transplant agency, and Tampa General Hospital report that transplant patients are having difficulty obtaining and affording immunosuppressive drugs. These drugs are absolutely necessary to survive after an organ transplant.
- (3) The Hillsborough County Commission responded to the urgent pleas of local dialysis patients and clinics, particularly the University of South Florida clinic, by instituting emergency assistance for patient transportation. As you know, dialysis patients depend upon frequent transportation to clinics for treatment. The state cut transportation for these patients when Medicare Part D came online, even though Part D does not cover these medically necessary trips.

- (4) Independent pharmacists have been forced to borrow funds through huge lines of credit to provide necessary medications because the HMO drug companies are not providing reimbursement or coverage in a timely manner. Despite the best efforts of pharmacists to confirm their benefits, Medicare beneficiaries are being told that they are not enrolled. Just as distressing, some seniors are discovering that their drugs are not covered, or they must pay deductibles and higher co-payments than they can afford. Many patients therefore walk away without receiving the drugs they need.
- (5) There are limited instances of HMO salesmen using the confusion to recruit seniors into their primary care Medicare programs (Parts A and B), which reduces medical services for many seniors.

I join with our seniors, doctors, health care professionals, pharmacists and community volunteers to advocate substantial changes to Medicare Part D. Reform should be swift and meaningful to address the harmful delays, confusion and escalating costs:

First, substantially revamp the program into an efficient and user-friendly system like the existing Medicare arrangement.

Second, allow the government to negotiate wholesale bulk prices for drugs like the Veterans Administration has done since 1992, rather than divert huge profits to the HMOs. When Health and Human Services Secretary Tommy Thompson announced his resignation in December 2004, he expressed his regret that the Medicare law barred him from negotiating, saying: "I would like to have had the opportunity to negotiate."

Third, extend the enrollment deadline date, currently set for May 15, 2006, to the end of the year. This would allow seniors to take the time they need to understand their options. An extension also will allow seniors to avoid the 1% penalty added on for each month for the entire life of their enrollment in Part D for simply missing the May 15<sup>th</sup> deadline.

Fourth, examine model programs like the award-winning Hillsborough Health Care Plan which is a comprehensive managed care plan for residents with incomes up to 100% of the federal poverty level who do not qualify for other coverage. Services are delivered by a network that includes primary care physicians, clinics and hospitals. The Plan emphasizes primary and preventative services, early intervention, health education, and the coordination of health and social services. Through competitive contracts with providers in four regional networks, enrollees are "mainstreamed" into the system and provided access to the same providers available to other insured residents. The Plan is administered by the Hillsborough County Department of Health & Social Services with oversight from a community advisory board.

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As a local government official I can testify firsthand that due to the confusion and complexity, patients must turn to state and local government for coverage to bridge the gap for vital medical and prescription coverage and to provide safety net services for citizens we do not want to fall between the cracks. It is vital to adequately support local agencies and those who are responsible for helping our seniors through the enrollment process. Indeed, the Hillsborough County Health and Social Services Department and Aging Services Department are assisting seniors locally.

I urge you to reform the current program that is bringing area seniors only confusion and anxiety with a simpler one now.

Sincerely,

Kathy Castor Hillsborough County Commission District 1

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